

61st ANNUAL REPORT

2017
2018



POLYCHEM LIMITED

POLYCHEM LIMITED

CIN: L24100MH1955PLC009663

(INCORPORATED UNDER THE INDIAN COMPANIES ACT, VII OF 1913)

BOARD OF DIRECTORS	MR. TANIL R. KILACHAND	(DIN 00006659)	Chairman
	MR. PARTHIV T. KILACHAND	(DIN 00005516)	Managing Director
	MR. ATUL H. MEHTA	(DIN 00005523)	Dy. Managing Director
	MR. NANDISH T. KILACHAND	(DIN 00005530)	
	MR. VINAYAK V. SAHASRABUDHE	(DIN 00296976)	
	MR. CHETAN R. DESAI	(DIN 03246010)	
	MS. NIRMALA S. MEHENDEALE	(DIN 01230600)	
	MR. YOGESH S. MATHUR	(DIN 01059977)	
COMPANY SECRETARY & COMPLIANCE OFFICER	MS. DEEPALI V. CHAUHAN		
CHIEF FINANCIAL OFFICER	MS. KANAN V. PANCHASARA		
AUDITORS	M/s. NAYAN PARIKH & CO.		Chartered Accountants
REGISTRAR & TRANSFER AGENTS	M/s. LINK INTIME INDIA PVT. LTD C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (W), Mumbai – 400083.		
REGISTERED OFFICE	7, Jamshedji Tata Road, Churchgate Reclamation, Mumbai 400 020.		

WORK	CORPORATE MANAGEMENT TEAM	
SPECIALTY CHEMICALS	MR. T. R. KILACHAND	Chairman
W-91, MIDC Phase II, Sonarpada,	MR. P. T. KILACHAND	Managing Director
Dombivali (E), 421 203,	MR. A. H. MEHTA	Dy. Managing Director
Maharashtra, India.		

Note: As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the Meeting.

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**NOTICE**

Notice is hereby given that the Sixty - First Annual General Meeting of the Members of POLYCHEM LIMITED will be held at Maharashtra Chamber of Commerce, Industry & Agriculture, Oricon House, 6th Floor, 12 K. Dubash Marg, Fort, Mumbai – 400 001 on Tuesday, August 28, 2018 at 11.00 a.m., to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a) The audited Standalone financial statements of the Company for the year ended 31st March, 2018, including the audited Standalone Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors (the Board) and Auditors thereon.
 - b) The audited Consolidated financial statements of the Company for the year ended 31st March, 2018, including the audited Consolidated Balance Sheet as at 31st March, 2018 and the Statement of Consolidated Profit and Loss for the year ended on that date.
2. To appoint a Director in place of Mr. P. T. Kilachand (DIN 00005516), who retires by rotation, and being eligible, offers himself for re-appointment.

Corporate Identification Number (CIN): L24100MH1955PLC009663

By Order of the Board of Directors

Registered Office :

7, Jamshedji Tata Road,
Churchgate Reclamation,
Mumbai 400 020.

Dated: 30th May, 2018.

Deepali V. Chauhan

Company Secretary & Compliance Officer

NOTES:

- (a) Since there is no Special Business, an Explanatory Statement pursuant to section 102 of the Companies Act, 2013 is not required.
- (b) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument appointing Proxy as per the format included in the Annual Report should be returned to the Registered Office of the Company not less than FORTY-EIGHT HOURS before the commencement of the Meeting.
- (c) Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- (d) In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- (e) Brief resume of Director proposed to be re-appointed, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under regulation 36(3)(a) of SEBI (LODR) Regulations, 2015 is provided in page 5 .
- (f) The Register of Members and the Share Transfer Books will remain closed from Tuesday, 24th July, 2018 to Tuesday, 31st July, 2018 (both days inclusive).



- (g) Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company or its Registrar & Share Transfer Agents - Link Intime India Pvt. Ltd.
- (h) Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder and as a part of 'Green Initiative in Corporate Governance,' Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
- (i) The Annual Report of the Company circulated to the Members of the Company, will be made available on the Company's website at www.polychemltd.com and also on website of the respective Stock Exchange.
- (j) The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s), unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
- (k) The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company.
- (l) All unclaimed Dividends pertaining to the earlier years have been transferred to the General Revenue Account of the Central Government in terms of Section 205-A of the Companies Act, 1956.
- (m) As communicated earlier, members holding shares in physical form are requested to get them dematerialized, as the shares of the Company are under compulsory demat system.
- (n) The Company's securities are listed on the following Stock Exchange:

Sr. No.	Name & Address of the Stock Exchange	Nature of Security as on 31-03-2018
1.	Bombay Stock Exchange Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.	4,04,045 Equity Shares of Rs.10/- each.

The Company has paid Annual Listing fees for the year 2018-19 to the above Stock Exchange.

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Dated: 30th May, 2018.

Deepali V. Chauhan

Company Secretary & Compliance Officer



As required in terms of regulation 36(3)(a) of SEBI (LODR) Regulations 2015 , the details of the Director retiring by rotation and eligible for re-appointment are furnished below:

Name of Director	Mr. P. T. Kilachand
Director Identification Number	00005516
Age	51 years
Qualification	Sc.B “Electrical Engineering” & A.B. “Engineering & Economics” from Brown University.
Expertise	Project Officer in Polychem Limited from 1 st November, 1988, then as Project Executive from 1 st October, 1990 and as Executive Assistant to the Managing Director from 2 nd July, 1993. He has been actively involved and looking after all aspects of various activities of the Company. He was appointed as a Director from December 1996 to 31 st March, 1997. From 1 st April, 1997 he was appointed as a Whole-time Director. His designation has been changed from Whole-time Director to Managing Director with effect from 27 th July, 2012 since then he was re-appointed as Managing Director twice.
Other Directorship as on 31st March, 2018 (Excluding Private Companies)	1. Gujarat Poly Electronics Limited 2. Ginners & Pressers Limited 3. Sun Tan Trading Company Limited 4. J. K. Investors (Bombay) Limited
No. of Equity Shares held	2,127
Relationship with other Directors	Mr. Tanil R. Kilachand, Chairman of the Company is the father and Mr. Nandish T. Kilachand, Director of the Company is the brother of Mr. P. T. Kilachand.

Corporate Identification Number (CIN): L24100MH1955PLC009663

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Dated: 30th May, 2018.

Deepali V. Chauhan

Company Secretary & Compliance Officer

**E-VOTING INSTRUCTIONS****Voting through electronic means**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM, but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on Friday, 24th August, 2018 (9:00 am) and ends on Monday, 27th August, 2018 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Tuesday, 21st August 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
 - (i) Open email and open PDF file viz; "polychem e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting then you can use your existing password for casting the vote. If you have forgot your password, you can reset your password by using "Forget User Details / Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - **Login**
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "Polychem Limited".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to mail@csraginichokshi.com with a copy marked to evoting@nsdl.co.in
 - B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy] :
 - (i) Initial password is provided as below at the bottom of the Attendance Slip for the AGM:

EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN

(ii) Please follow all steps from SI. No. (ii) to SI. No. (xii) above, to cast vote.

VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 21st August, 2018.

X. Any person, who acquires shares of the Company and become member of the Company after 23rd July, 2018 i.e. the date considered for dispatch of the notice and holding shares as of the cut-off date i.e. 21st August, 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or evoting.investors@linkintime.co.in

XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

XIII. Ms. Ragini Chokshi of Ragini Chokshi & Co., Practicing Company Secretary (CP 1436) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.polychemltd.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to Stock Exchange where the shares of the Company are listed.

DIRECTORS' REPORT

To
The Members of
POLYCHEM LIMITED

Your Directors' present the Sixty - First Annual Report and Statement of Accounts for the year ended 31st March, 2018.

FINANCIAL RESULTS

(Rs in Lakhs)

Particulars	Standalone		Consolidated	
	Year ended on		Year ended on	
	31-03-18	31-03-17	31-03-18	31-03-17
Sales	1,674.46	1,613.11	3,123.40	2,847.37
Profit/(Loss) before tax	(10.38)	63.62	56.14	59.20
Current tax (for the year)	--	10.00	--	10.00
Current tax (relating to previous year)	0.76	(25.85)	0.76	(25.85)
Deferred tax	2.71	(3.44)	2.71	(3.44)
Profit/(Loss) after tax	(13.85)	82.91	52.67	78.50
Other Comprehensive Income				
Re-measurement of the defined benefit plans (net of tax)	(2.16)	(5.73)	(0.07)	(9.99)
Total Comprehensive Income for the period	(16.01)	77.18	52.60	68.51

1. DIVIDEND:

During the year, the Company has incurred a loss of Rs. (13.85) lakhs, Due to which, your Directors have not been able to recommend any dividend for the year 2017-18.

2. STATE OF COMPANY'S AFFAIRS:

During the year ended 31st March, 2018, your Company has incurred a loss of Rs (13.85) lakhs against profit of Rs. 82.91 lakhs after tax in previous year. The sales of Specialty Chemicals during the year ended was Rs. 1,674.46 lakhs compared to Rs.1,613.11 lakhs during the previous year and for property development Rs. Nil during the current and previous year.

3. SUBSIDIARY COMPANY:

The Company has one subsidiary company i.e. Gujarat Poly Electronics Limited (GPEL) (Formerly Known as Gujarat Poly-AVX Electronics Limited).

In accordance with section 129(3) of the Companies Act, 2013, the Company has prepared the consolidated financial statements of the Company, which form part of this Annual Report. Further a statement containing the salient features of the financial statement of our subsidiary company in the prescribed format AOC-1 also forms part of this Annual Report.

The sale of GPEL during the year ended 31st March, 2018 was Rs. 1,441.21 lakhs as against sale of Rs. 1,225.44 lakhs in the previous year. GPEL has made profit of Rs. 66.53 lakhs during the current year as compared to loss of Rs. (4.43) lakhs in the previous year. GPEL manufactures as wells as outsources ceramic capacitors & marketing the same.

4. NUMBER OF BOARD MEETINGS HELD DURING THE YEAR:

During the year 2017-18, four Board Meetings were held on the following dates:

- | | |
|---|------------------------------------|
| (a) 30 th May, 2017; | (b) 24 th August, 2017; |
| (c) 6 th December, 2017; and | (d) 5 th February, 2018 |

More details on the Board Meeting are given under Corporate Governance Report.

**5. AUDIT COMMITTEE:**

The Audit Committee during the year consisted of 4 members. More details on the committee are given in Corporate Governance Report.

6. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee consist of 3 members, More details on the committee are given in Corporate Governance Report.

7. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Board has established a vigil mechanism for directors and employees to report genuine concerns to be disclosed, the details of which is placed on the website of the company. The Board has also formulated the whistle blower policy, same has been uploaded on the website of the company http://www.polychemltd.com/download/Whistle%20Blower%20Policy_14.pdf.

There was no reporting made by any employee for violations of applicable laws and regulations and the Code of Conduct for the F.Y. 2017-18.

8. DIRECTORS' RESPONSIBILITY:

Pursuant to Section 134 of the Companies Act, 2013 the Directors confirm that:

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. Appropriate accounting principles have been selected and applied consistently and have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and of the loss of the Company for the year ended 31st March, 2018;
- c. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The annual accounts have been prepared on a going concern basis;
- e. The directors have laid down internal financial controls to be followed by the company;
- f. The directors have devised proper systems to ensure compliance with the provisions of all applicable laws.

9. TAXATION:

The Company's Income Tax assessments have been completed up to the year ended 31st March, 2016

10. DEPOSITS:

Company has repaid all deposits and there are no outstanding deposits.

11. INDUSTRIAL RELATIONS:

Industrial Relations with the employees of the Company were cordial during the year under report.

12. CONSERVATION OF ENERGY:

Report on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo etc. is given in **Annexure I** forming part of this report.

13. DIRECTORS:

Mr. P. T. Kilachand retires from Office by rotation, but being eligible, offers himself for re-appointment.

The above re-appointment is placed before the Members for their approval in ensuing Annual General Meeting.

**14. DECLARATION ABOUT INDEPENDENT DIRECTORS UNDER SUB-SECTION 6 OF SECTION 149:**

The Company has received the declaration from Independent Directors that they meet the criteria of independence laid down under section 149(6) of the Companies Act, 2013 and under regulation 16(b) of SEBI (LODR) Regulations, 2015.

15. DISCLOSURE OF REMUNERATION RECEIVED BY MANAGING DIRECTOR OF THE COMPANY FROM ITS SUBSIDIARY / HOLDING COMPANY UNDER SECTION 197(14):

During the year 2017-18, Mr. A. H. Mehta, Dy. Managing Director of the Company has received Rs 2,172,205/- excluding retiral benefits from Gujarat Poly Electronics Limited, subsidiary company in capacity of Managing Director.

16. FORMAL ANNUAL EVALUATION:

As required under the act, evaluation of every director's performance was carried out. An evaluation sheet was given to each director wherein certain criteria was set out for which ratings are to be given.

17. COMPANY'S POLICY ON DIRECTORS APPOINTMENT, REMUNERATION ETC.:

The Nomination and Remuneration Committee recommends to the Board the policy relating to remuneration for the Directors, Key Managerial Personnel and other employees, same has been uploaded on the website of the Company. http://www.polychemltd.com/download/Criteria%20for%20Appointment%20&%20Evaluation%20of%20Board%20of%20Directors_14.pdf

18. RELATED PARTY TRANSACTIONS:

All Related Party Transactions (RPT) entered into by the Company during the year under review were at arms' length and in ordinary course of business. All RPT are placed before Audit Committee for its approval.

The Company has an ongoing loan of Rs.446 lakhs to Gujarat Poly Electronics Ltd at the rate of 10.5% p.a., outstanding loan as on 31st March 2018 is 442.44 lakhs. There are no contracts or arrangements under sub-section (1) of Section 188.

Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014:

1. Details of contracts or arrangements or transactions not at arms's length basis: NIL
2. Details of material contracts or arrangement or transactions at arm's length basis: NIL

The Board on recommendation of Audit Committee, adopted a policy on related party transactions to regulate transactions between the Company and its related parties, in compliance with the applicable provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The policy is uploaded and can be viewed on the Company's website http://www.polychemltd.com/download/Related%20Party%20Transaction%20Policy_14.pdf

19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

There is an ongoing loan of Rs.446 lakhs given to Gujarat Poly Electronics Ltd at the rate of 10.5% p.a., outstanding loan as on 31st March 2018 is 442.44 lakhs. During the year, the Company has given loan to its contract manufacturers, Rs 4,00,000/- to Aakar Rasayan Pvt Ltd at the rate of 9% p.a. and Rs. 8,00,000/- to Dreamland Dyes Pvt Ltd at the rate of 11% p.a.

20. DONATION:

During the year, the Company has given donation of Rs 3,000/- to the charitable trust.

21. CORPORATE SOCIAL RESPONSIBILITY:

The provisions relating to Corporate Social Responsibility are not applicable to the company.

22. INTERNAL FINANCIAL CONTROL:

The Company has adequate internal financial control system with reference to the financial statements.

**23. RISK MANAGEMENT POLICY:**

The Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and is also subject to its review from time to time.

24. OTHER DISCLOSURES AS PER SECTION 134 OF THE COMPANIES ACT, 2013:

- (a) There are no qualifications, reservations or adverse remark or disclaimer by the Statutory Auditor or by Secretarial Auditor in their respective reports.
- (b) There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company, to which the financial statements relate and the date of the report.
- (c) Extract of the Annual Report as provided in sub-section 3 of section 92, which is given in **Annexure II** forming part of this report.

25. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The policy is uploaded and can be viewed on the Company's website <http://www.polychemltd.com/Download/AntiSexual%20Harassement%20Policy.pdf>

The Company has also formed an Internal Complaints Committee (ICC) which is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the policy.

The Company has not received any complaints on sexual harassment during the year.

26. MANAGERIAL REMUNERATION:

- i. The ratio of remuneration of Mr. P. T. Kilachand, Managing Director and Mr. A. H. Mehta, Dy. Managing Director with the median remuneration of the employees of the company is 8.65 and 5.87 respectively.
- ii. Increase in remuneration of Mr. P. T. Kilachand, Managing Director is 16.21%, Mr. A. H. Mehta, Dy. Managing Director is 7.65%, Ms. K. V. Panchasara, Chief Financial officer is 7.91% and Ms. D. V. Chauhan, Company Secretary and Compliance Officer is 7.91%
- iii. There is an increase of 3.91 % in the median remuneration of employees in the financial year.
- iv. There are 23 permanent employees in the company.
- v. There is an increase of 13.07 % in Company's Performance for the year considering the revenue from the operations and the average increase in the remuneration of the Company is 6.77 % for the year.
- vi. During the financial year 2017-18, remuneration to Key Managerial Personnel is Rs. 7,176,729/- as against the Company's performance is Rs 158,898,012/- – remuneration to performance ratio comes to 4.52 %.
- vii. There is a decrease in Market Capitalisation and the Price earnings ratio of the Company is negative. Market capitalisation for current year is Rs 142,526,874/- and for Previous year it was Rs 172,688,833/-. Price earning ratio for current financial year is negative, whereas for the previous financial year it was 20.82 times.
- viii. Average increase in the salaries of employees other than the managerial personnel was 4.01 %.